

SOUTH CAROLINA PUBLIC SERVICE COMMISSION

HEARING OFFICER DIRECTIVE

DOCKET NOS. [2017-370-E](#), [2017-207-E](#), [2017-305-E](#) ORDER NO. 2018-128-H

SEPTEMBER 19, 2018

David Butler
Hearing Officer

DOCKET DESCRIPTION:

Docket No. 2017-370-E – Joint Application and Petition of South Carolina Electric & Gas Company and Dominion Energy, Incorporated for Review and Approval of a Proposed Business Combination between SCANA Corporation and Dominion Energy, Incorporated, as May Be Required, and for a Prudency Determination Regarding the Abandonment of the V.C. Summer Units 2 & 3 Project and Associated Customer Benefits and Cost Recovery Plans

Docket No. 2017-207-E – Friends of the Earth and Sierra Club, Complainant/Petitioner v. South Carolina Electric & Gas Company, Defendant/Respondent

Docket No. 2017-305-E – Request of the Office of Regulatory Staff for Rate Relief to South Carolina Electric & Gas Company's Rates Pursuant to S.C. Code Ann. § 58-27-920

MATTER UNDER CONSIDERATION:

Motion to Strike SCE&G's Notice of Change in Security Rating

HEARING OFFICER ACTION:

The South Carolina Coastal Conservation League ("CCL") and Southern Alliance for Clean Energy ("SACE") (together, the "Movants") have filed a Motion to Strike the notification of a change in a security rating filed by South Carolina Electric & Gas Company ("SCE&G") in the three nuclear dockets on August 10, 2018. CCL and SACE state that SCE&G filed a letter in these Dockets and in Docket No. 89-230-EG that notified the Commission that the rating agencies Fitch Ratings ("Fitch") and S&P Global Ratings ("S&P") had recently downgraded the credit ratings of SCANA and SCE&G (the "Notice"). According to the Movants, SCE&G discussed the reason for the downgrades, and the Notice also contained a statement by Fitch with regard to the effect on the credit

quality of SCANA if it was acquired by Dominion. CCL and SACE characterize the filing of the Notice as a “gratuitous attempt by SCE&G to influence the Commission’s deliberations regarding cost recovery for the abandoned V.C. Summer units, as well as the proposed Dominion-SCANA merger.” The Movants also propound other arguments, including the admonition that “if SCE&G wishes to incorporate a document into the evidentiary record, the document needs a sponsoring witness.”

SCE&G responded to the Motion to Strike by arguing that the Notice was required by Commission Order No. 1992-931, and that the Notice was required for compliance with S.C. Code Ann. Section 58-3-260. The Movants also filed a Reply to SCE&G’s Response to the Motion.

However, this Hearing Officer does not need to reach any of the arguments made by either the Movants or by SCE&G. The Notice in question was filed in the three nuclear Dockets in the Commission’s Docket Management System (“DMS”). Without more, the Notice in question does not become a part of the evidentiary record for the Commission to consider in the upcoming hearing. I generally agree with the Movants’ statement that “if SCE&G wishes to incorporate a document into the evidentiary record, the document needs a sponsoring witness.” While the Commission certainly retains the right to govern what documents are filed in the DMS, the fact is that documents in the DMS do not constitute evidence or part of the evidentiary record of a case unless they are sponsored by a witness after overcoming any objections, or are otherwise admissible in evidence by other means at a Commission proceeding. Since the Notice in question is merely in the Commission docket filing system at this time, and does not violate any Commission mandates for the filing of documents, a Motion to Strike at this time is inappropriate and unripe. For these reasons, the Motion to Strike is denied.

This ends the Hearing Officer’s Directive.